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INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHMFIUU/HQ BICE INTEL WASHINGTON DC PRIORITY
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RUCPDOG/DEPT OF COMMERCE WASHINGTON DC PRIORITY

UNCLAS KUALA LUMPUR 000740

SIPDIS

PM/DTCC - BLUE LANTERN COORDINATOR

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [MY](#)
SUBJECT: SECOND BLUE LANTERN RESPONSE ON PRE-LICENSE
END-USE CHECK ON APPLICATION 050111997

REF: A. SECSTATE 74676
[1](#)B. KUALA LUMPUR 502
[1](#)C. SECSTATE 41077

[1](#)1. Pursuant to reftel A inquiry, Econoff in early and mid-August 2008 contacted the Malaysian Ministry of Home Affairs (formerly Ministry of Internal Security) and the Malaysian company "Anafield Sdn Bhd". By 20 August, both had responded to post inquiries into Anafield's proposed purchase of 270 sets of night vision equipment and 100 sets of night vision front sights. Post was pleased with the responses provided, and recommends approval of the sale. Post did not conduct a site visit to Anafield since the proposed USML items would not be stored at any Anafield office or facility. Instead the items are to be controlled and stored by the Royal Malaysian Police (RMP).

[1](#)2. Ministry of Home Affairs: A member within the ministry, Ms. ((Marhizah)) Abdul Razak, responded to post's inquiries. She verified the proposed order by Anafield and sounded familiar with the details.

A) Are you (Home Affairs) familiar with Anafield? Yes, the Ministry is familiar with Anafield and, according to the Ministry, Anafield has a solid reputation.

B) Did you order from Anafield the exact type and quantity of items listed on this application? Yes, the Ministry ordered the exact amount of night vision monoculars, binoculars, and front sights as listed on the application. They are for use with the RMP, and only for the RMP. The items will not/not be re-sold, re-exported, or issued to any other government ministry. Home Affairs has issued the proposed sale a Malaysian contract number: KKDN/POL/PT/1/2008.

C) Is Anafield an official supplier/contractor for the Malaysian government? Does the Malaysian government have any other contracts with the company? Yes, Anafield is an official supplier/contractor for the Malaysian government. Yes, there is another deal with Anafield awaiting approval (Bushmaster carbines, submachine guns, rifles, and sights). The company also procures security-related equipment from other international firms, such as "Law Enforcement International" (St. Albans, Herts AL4 OWA, U.K.), "MSA" (Pittsburgh, PA, U.S.A), "Laser Shot Inc." (Stafford, TX, U.S.A), "Carl Walther GmbH" (Ulm, Germany), and "Safariland" (Ontario, CA, U.S.A).

[1](#)3. Anafield: After a sluggish start in early August to post attempts at re-contact, Anafield realized that the

aforementioned deal could be in jeopardy, and via telephone and fax provided the information requested on 13 August. The managing director of Anafield wrote that he welcomed re-contact in the event of new questions/problems.

1A. Does the company have proper supporting documentation, including purchase orders from the Malaysian government, for this proposed transaction? Response: Yes, the company said that it has the proper supporting documentation, which is in the form of a Letter of Award issued by the Ministry of Home Affairs. Anafield said that Home Affairs will only issue the purchase order once U.S. State Department approves the export as a valid purchase. A Malaysian government purchase order will only be valid for three months, so Home Affairs will not issue it until the USG approves the sale and shipment. Anafield said that, under Malaysian law, it cannot bring the shipment into Malaysian without a valid purchase order, which must be shown to Malaysian Customs prior to the entry of the shipment into the country. The company said that it ordered 150 sets of ATN NVM-14-31 night vision monoculars, 120 sets of ATN Nightshadow-31 night vision binoculars, and 100 units of ATN PS22-31 night vision front sights. Anafield said that its primary contact at the U.S. company (American Technologies Network Corp., in San Francisco) is Mr. Mark ((Tarakanov)) (email: mtarakanov@atncorp.com).

B) Will the company be handling or storing the items listed on the application? If so, does it have secure facilities and proper accounting and security procedures for handling these sensitive USML items? Response: Anafield said that it will receive the items only when the items arrive at Malaysian Customs, but would immediately turn the entire

shipment over to the RMP (since RMP is the final end-user of the items). Anafield said that the items, when not in use, would be stored at RMP's Central Warehouse, which is a secure sight and not/not open to the public or to visits by non-RMP personnel. The warehouse is located at Polis Diraja Malaysia, Jabatan Logistik (SMS), Kompleks SMS PDRM, Persiaran Usahawan, Seksyen U1, 40150 Shah Alam, Selangor, Malaysia. Anafield specifically said that it will clear the items at Malaysian Customs with officers from RMP also present, as firearms and associated equipment (such as NGV's) are controlled items in Malaysia. Once the items clear Customs, the shipment will go directly to the Central Warehouse, and RMP is responsible for control.

C) When was the company established and who are its principals? Response: The company was established on 11 April 2002. Its principal officers are Director ((Mohamed Noor)) bin Yusoff (male, born 04 Sept 1952); Tan Sri ((Abdul Rahim)) bin Mohamed Noor (male, born 06 June 1943); Datuk ((Abdullah)) bin Jonid (male, born 10 May 1938); and ((Halina)) H. Ismail (female, born 20 June 1975).

D) What is the nature of its business -- what type of items does it handle, and does it serve as a broker? Response: Anafield specializes procuring in police and military equipment -- such as marketing simulators, firearms, gas masks, optics, and holsters -- for the Malaysian government. The company said that it does not/not serve as a broker for sales to other countries. Anafield also provided information on a recent request to purchase U.S.-manufactured Bushmaster carbines, and had previously (NFI) sold Bushmaster carbines in small quantities to the Royal Malaysian Air Force Special Regiment and the RMP.

E) What types of organizations are among its typical customers, and where are the customers located? Response: Anafield said that its usual Malaysian government customers are the Ministry of Defense and the Ministry of Home Affairs, particularly for the RMP. Both ministries are headquartered in the new, large government suburb of PutraJaya, located southwest of Kuala Lumpur. Both ministries have sub-offices

scattered throughout Malaysia.

F) Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

Response: The company said that it clearly understands the restrictions placed upon USML items. The company said this requirement is why it completed the DSP83 and the End User Statement forms. The company said that it will not/not re-export the items.

G) What is post's assessment of whether the company appears to be a reliable recipient of USML items. Response: Post's assessment of Anafield is that it is a professional, but secretive, procurement company for Malaysian ministries that require sensitive equipment, such as firearms and associated equipment. Anafield appears to be a company staffed with employees that are either former members of Malaysian government organizations such as the Ministry of Defense or Ministry of Home Affairs (aka Internal Security), and that such employees are usually more motivated and opsec minded than the average Malaysian citizen. In sum, Anafield appears to be a reliable recipient of USML items.

14. Post assessment is that Anafield and the Ministry of Home Affairs were more cooperative in August 2008 than previously in June 2008, although Anafield and Home Affairs maintain a more secretive nature than most normal Malaysian firms and government ministries. Post believes that this is not/not anything nefarious. Rather, Anafield's hesitancy to complete transparency is due to the nature of its work (procuring firearms/sensitive equipment for the government), and especially to almost-certain strong links to the RMP Special Branch, which is Malaysia's internal security intelligence service. Ties between Special Branch and USG are good/very good in some areas, but average/poor in others, and therefore Anafield is wary of USG contact. Regardless, Anafield and the Ministry of Home Affairs answered all of the questions, and therefore we recommend completion of the proposed sale.

KEITH